



FOB JAMES, JR.
GOVERNOR

Alabama Department of Economic And Community Affairs



ROBERT E. LUNSFORD
DIRECTOR

AUGUST 4, 1995

ALABAMA CDBG INTERGOVERNMENTAL POLICY LETTER NUMBER 14 (Revision 1)

To: Persons Interested in State CDBG Program

From: Edwin I. Gardener
Chief, Planning & Economic
Development Division

Subject: Policy on Collateralization of CDBG Funds by Cash Depositories

At the time an account is established by a grantee, the bank should provide a statement that any balance in the account exceeding FDIC coverage shall be collaterally secured. This statement must then be made a part of the grantee's financial management records.

Effective Date: Immediately